

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 402 - SB 472

February 25, 2023

SUMMARY OF BILL: Enhances the penalty for driving a motor vehicle upon a highway without an appropriate valid driver license from a Class C misdemeanor to a Class B misdemeanor for a first offense, and to a Class A misdemeanor for second and subsequent offenses.

FISCAL IMPACT:

Increase Local Revenue - \$733,400/FY23-24 and Subsequent Years

Increase Local Expenditures – \$9,107,800/FY23-24 and Subsequent Years*

Assumptions:

- Pursuant to Tenn. Code Ann. § 55-50-301(a)(1), no person shall drive any motor vehicle upon a highway in this state unless the person has a valid driver license for the type or class of vehicle being driven.
- Pursuant to Tenn. Code Ann. § 55-50-601(6), a violation of this requirement is a Class C misdemeanor.
- The proposed legislation enhances the penalty for driving a motor vehicle upon a highway without an appropriate valid driver license from a Class C misdemeanor to a Class B misdemeanor for a first offense and to a Class A misdemeanor for second and subsequent offenses.
- Average incarceration times for convictions of misdemeanor offenses are assumed to be as follows:
 - Class A: 15 days in jail
 - Class B: 1 day in jail
 - Class C: 0 days in jail
- According to the Department of Safety, over the last five years, there have an average of 19,558 convictions statewide for a violation of driving a motor vehicle upon a highway without an appropriate valid driver license.
- It is not known how many of those convictions were for first offenses and how many were for second or subsequent offenses.
- For the purposes of this analysis, it is assumed that these convictions are comprised equally of first offenses and second or subsequent offenses.

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- Therefore, the proposed legislation is estimated to result in a an additional 9,779 (19,558 convictions x 50%) Class B misdemeanors per year, and an additional 9,779 (19,558 convictions x 50%) Class A misdemeanors per year.
- The increase in incarceration days in local facilities each year is thus estimated to be 156,464 days [(9,779 Class B x 1 day) + (9,779 Class A x 15 days)].
- Based on cost estimates provide by local government entities throughout the state and reported bed capacity within such facilities, the weighted average cost per day to house an inmate in a local jail facility is \$58.21.
- The increase in local expenditures related to incarceration is therefore estimated to be \$9,107,769 (156,464 days x \$58.21) in FY23-24 and subsequent years.
- There is no specific fine established for the current Class C misdemeanor offense. It is assumed to be \$50, resulting in \$977,900 (19,558 x \$50) in local revenue each year.
- It is assumed that, under this legislation, a Class B misdemeanor conviction would result in a fine of at least \$75 and a Class A misdemeanor conviction would result in a fine of at least \$100.
- The increase in local revenue related to fines is therefore estimated to be \$733,425 {[(9,779 Class B x \$75) + (9,779 Class A x \$100)] - \$977,900} in FY23-24 and subsequent years.

*Article II, Section 24 of the Tennessee Constitution provides that: *no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Krista Lee Carsner, Executive Director

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